

INFORMATION REPORT - INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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SOURCE EVALUATION

Output

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1. No figures can be given for the current total annual output of pig iron, crude steel, and rolled steel. It can be said, however, that despite the difficulty of obtaining ore and the dependence on imports of ore and of pig iron, despite the severe shortage of coke, scrap, and ferroalloys, and despite the acute shortage of skilled and, to some extent, unskilled labor, the production of the Czechoslovak iron and steel industry has shown a regular progress which is considered reasonably satisfactory by the Czech Government. The opinion of the Russians on the progress made is not known.
2. This development has been maintained with great effort. All iron and steel works, with the exception of a part of the new Klement Gottwald Foundry in Kuncice, are working at top pressure, which is having a deleterious effect on the life of the installations, particularly the furnaces, and on the quality of workmanship.

Quality of Products

3. There is no doubt that the general quality of steel products is inferior to the pre-war standard, because the workers are driven so hard and because of inferior raw materials. The quality of pig iron, on the other hand, is not much inferior to the pre-war quality. Great efforts began to be made about the beginning of 1955 to improve the quality of steel products. Inspection, which had become very slack, has been tightened up considerably and placed in the hands of more competent officials.
4. The quantity of highest quality special steels (stainless, heat-resistant, etc.) produced annually cannot exceed at the most 1,000 tons a year and is probably much less. This is due to lack of suitable alloys.
5. In tube-rolling mills, API, GOST, DIN, and BSS specifications of tolerances can be followed (but not API range 3). All iron and steel exports to the USSR are to GOST standard, except with one or two items for which no such standards exist, and many steel products supplied to engineering factories

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in Czechoslovakia are made to GOST standard because the factories are working on exports to the USSR.

Blast Furnaces

6. Because of the competitive drive for production throughout the industry, the furnaces are tapped more often than before the war. On the whole, tapping is efficient.
7. A campaign is certainly not as long as four years. Furnaces have to be relined and/or repaired at more frequent intervals. They are being driven very hard indeed, and there is no reserve against breakdown.
8. So far as is known, all works, and certainly all large works, give beneficiating treatment to the ore before the furnaces are charged. Agglomerating plant (wet process) is chiefly used.
9. Nothing is known of attempts to utilize low-shaft furnaces or high-tap pressure. (This does not mean they have not been made.) Some attempts are thought to have been made with increased blast temperatures, and steam-enriched blast technique has been discussed in technical journals.

Siemens-Martin Furnaces

10. The furnaces are being driven very hard in all works. So far as is known, they are all driven by blast furnace gas; at any rate, the great majority most certainly are. Oxygen is used in some, and it is intended to extend its use to all. The refractories are for the most part in poor condition.

Advanced Technology (General)

11. Radioisotopes are used in the Vitkovice iron and steel plants for thickness gauging; they are supplied by the USSR. No details of their employment are known. (They are also used in the Skoda works (sic) and possibly in other large concerns.)
12. The thickness of tin plate (notably at the Stalingrad Iron Works in Mistek) is measured electrically, though older methods are also used.

Destination of Products

13. The great majority of iron and steel products are delivered to Czech engineering works. Top priority is given to orders for the Ministry of National Defense. The proportion of such orders is not known; a tentative and reluctant guess is 10 to 15 percent.
14. Since 6 February 1954, when a number of items were removed from the embargo list of exports to non-Communist countries, exports of iron and steel products to the Western world have shown a steady increase. Exports to the Sino-Soviet Bloc, on the other hand, have tended to decline.

Main Shortages by Type of Products

15. The greatest shortages are undoubtedly in steel strip, quality sheets, and high quality refined steel.

The Iron Ore Position

16. Whereas before the war the Czechoslovak iron and steel industry had no difficulty in acquiring all the good quality iron ore it needed, there is now a severe shortage of good quality ore, and great efforts have to be made to obtain adequate supplies even of indifferent ore.

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17. The contribution of locally mined ore has not fulfilled expectations. So serious is the ore shortage that mines which had been abandoned for years because they were uneconomical to work have been retapped. The amount of ore produced domestically each year is not known.
18. Since about 1950 almost no ore has been supplied [redacted] By far the greatest amount is imported from the USSR, but quantities cannot be given. A fair quantity each year has been imported from China since 1952. Small quantities have been obtained [redacted]
19. The local ore and the Soviet and Chinese ore is much of it fine-grained, and the grates of blast furnaces had to be altered before it could be worked.

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Pig Iron Imports

20. Present production could not nearly be maintained without the importing of pig iron.
21. In 1949 the USSR agreed to export 150,000 tons of pig iron a year for five years to Czechoslovakia. With slight variations only, this level was maintained until the end of 1954, but the Russians have stated that for 1955 they cannot promise more than 120,000 tons. Difficulties are created for the planning office of the Ministry of Foundries and Ore Mines since the Russians never specify in advance what proportions of foundry pig iron or steel-making pig iron will be supplied, and the furnaces have to be switched accordingly to make up the deficiency if production has been planned on the basis of, say, imports of 80,000 tons of foundry pig iron and the Russians supply only 40,000 tons. On one occasion an awaited consignment of pig iron from the USSR was two months late, and activity at some of the major works was virtually at a standstill for almost a week.
22. China began to export pig iron to Czechoslovakia in 1953, when about 5,000 tons were supplied. In 1954 this amount increased, perhaps up to 10,000 tons, and for 1955 15,000 tons have been promised. The amount is likely to be greater in 1956.
23. The Czech Government has to pay very high prices for both Soviet and Chinese pig iron. [redacted] until 1953 the price was as much as 30 percent higher than world prices; now the increase demanded is not so great.
24. [redacted] It is believed that a recent agreement with the GDR may bring in 10,000 to 15,000 tons in 1955.

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Scrap

25. There is a very great shortage of scrap. High priority is given to its purchase, in hard currency as well as soft. [redacted]

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Ferroalloys

26. Czechoslovakia produces a very small quantity of ferrochrome and ferrosilicium. The largest exporters of ferroalloys to Czechoslovakia are thought to be [redacted] the USSR, but no details are available. It can be said with confidence that the amounts of ferroalloys available are far below requirements.

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Metallurgical Coke

27. There is a severe shortage of coke and, were it not for pig iron imports, current production could not possibly be maintained. So far as is known, none is imported. The great majority comes from the Ostrava district.

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Attempts have been made to utilize the brown coal deposits in Bohemia, but they have been found for the most part not to be cokable.

28. Despite this shortage, small exports of coke have been made to [redacted] Poland in recent years. [redacted] these were made because urgently needed imports could only be obtained in this way. Recently, however, such exports have been greatly reduced or stopped altogether. Trade [redacted] has been hampered because Czechoslovakia cannot export coke. 25X1
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Planned Expansion

29. In addition to the Five-Year Production Plan for 1956 to 1960, a foreign trade plan for the same period is being completed. Besides this, a long-term plan has been worked out for as far ahead as 1978, in which period a number of large investments are in theory to be made.
30. [redacted] this long-term plan sets out the intention to install a large blooming mill at the V.M. Molotov Iron Works in Trinec, a wide strip mill (intended location not known), and a precision tube mill, either at Vitkovice or Kuncice. (There is no wide strip mill in Czechoslovakia at present.) [redacted] all these mills are to be built locally. 25X1
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31. According to the Plan for 1956 to 1960, the first large-scale increase in iron and steel production is scheduled for 1958.

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